



ARIZONA DEPARTMENT OF ECONOMIC SECURITY

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Janet Napolitano
Governor

David A. Berns
Director

June 10, 2005

WORKFORCE GUIDANCE LETTER #06-05

SUBJECT: Annual Update of Poverty (HHS), 70% and 100% Lower Living Standard Income Level (LLSIL) for Program Year 2005

REFERENCE: P.L. 105-220 Workforce Investment Act (WIA) of 1998, Section 101(24)(25), Section 127(b)(2)(C), Section 132(b)(I)(IV), and Section 134(d)(3)(A)(II)(ii); 20 CFR part 652 et al., §663.230 WIA Final Rules dated August 11, 2000; Federal Register Vol. 68, No. 104, pp. 32549-32551 dated May 30, 2004; Federal Register Vol. 68, No. 26, pp. 6456 – 6458 dated February 7, 2003

BACKGROUND: The 70% Lower Living Standard Annual income Levels (LLSILs) are published by the Secretary of Labor annually. They represent maximum annual income levels, adjusted for metropolitan and non-metropolitan areas, as well as family size, that are used as a criterion for eligibility under WIA. Specifically, the 70% LLSILs are used to determine annual income eligibility for adults when local area funds are *limited*, **and** for all youth, with the exception of those served under the 5% annual income exception rule (See WIA Final Rule, Section 664.220). The 70% LLSIL annual income levels are indicated in the attached chart.

When determining WIA eligibility for **employed** individuals, special annual income eligibility rules apply. The Act gives local areas two options in defining the maximum annual income thresholds at which intensive and training services can be provided to employed individuals:

- (1) A local area may choose to define the maximum annual income levels for employed adults *and* employed dislocated workers as **100% or greater** of the LLSILs. The 100% LLSIL figures are provided in the attached chart.

If, for example, a local area chooses to define the maximum annual income levels for employed adults and employed dislocated workers as 200% of the LLSILs, then local staff would multiply the annual income figures in the appropriate (metro or non-metro) 100% LLSIL column by 2, to obtain the annual income thresholds for eligibility.

As another example, if a local area defines the maximum annual income levels as 150% of the LLSILs, then the annual income figures in the appropriate (metro or non-metro) 100% LLSIL column would be multiplied by 1.5, to obtain the annual income thresholds for eligibility.

- (2) Local areas may choose to define the annual income threshold separately for employed dislocated workers. In this case, the maximum annual income level may be defined as a specific percentage of the wage at dislocation for all employed dislocated workers. For example, if a local area established 80% as its maximum annual income threshold, a dislocated worker earning \$30,000/year at dislocation would qualify for intensive and training services if his current annual income does not exceed \$24,000 (i.e. $\$30,000 \times .80 = \$24,000$). Under this option, annual income eligibility for employed adults would be defined as indicated in item (1) above.

The Department of Health and Human Services (HHS) also issues poverty guidelines each year and they are included in the attached chart. These HHS poverty guidelines are used in determining financial eligibility for other federal programs.

ACTION REQUIRED: Local Workforce Investment Areas and other WIA Title 1 B providers shall use the attached annual income chart for determining WIA participant eligibility, *where appropriate*, for Program Year 2005 (July 1, 2005 through June 30, 2005). Please distribute this information to all individuals responsible for WIA eligibility determination. *Make sure staff knows what your local area has defined for LLSIL above 100% for employed individuals.*

Please contact Diane Mahala, Planning and Program Development at (602) 542-2478 if you need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Lela Alston", is written over a thin red horizontal line.

Lela Alston
WIA Section Manager
Employment Administration

Attachments

**ARIZONA DEPARTMENT OF ECONOMIC SECURITY
STATE LOCAL WORKFORCE INVESTMENT AREA (LWIA)
70% LLSIL AND SELF-SUFFICIENCY
INCOME MATRIX FOR PROGRAM YEAR 2005**

FAMILY SIZE	HHS Poverty Guidelines	70% LLSIL NON-METRO AREA	100% LLSIL NON-METRO AREA	70% LLSIL METRO AREA	100% LLSIL METRO AREA
1	\$9,570	\$9,570	\$11,530	\$9,570	\$11,940
2	\$12,830	\$13,230	\$18,900	\$13,700	\$19,570
3	\$16,090	\$18,160	\$25,940	\$18,810	\$26,860
4	\$19,350	\$22,410	\$32,020	\$23,220	\$33,160
5	\$22,610	\$26,450	\$37,790	\$27,400	\$39,130
6	\$25,870	\$30,930	\$44,190	\$32,050	\$45,770
7	\$29,130	\$35,410	\$50,590	\$36,700	\$52,410
8	\$32,390	\$39,890	\$56,990	\$41,350	\$59,050
Additional Per Person > 8	\$3,260	\$4,480	\$6,400	\$4,650	\$6,640

***All figures represent annual figures.**

07/01/05